

March 29, 1983

LB 505

SENATOR KAHLE: Mr. President, perhaps a question or two of Senator Schmit to clarify I think what he said.

SENATOR BEUTLER: Senator Schmit, do you wish to respond?

SENATOR SCHMIT: Yes, I do, Senator.

SENATOR KAHLE: In every instance this is made it would be up to those individual boards if they wanted to do this or not. Is that correct?

SENATOR SCHMIT: That is right, Senator. The only thing we are doing here is we are stating legislative intent that if they choose to do this, that it does meet with the approval of the Legislature.

SENATOR KAHLE: Now is it your intent that they actually go into the production of alcohol or is it your intent that they provide funds for such an operation?

SENATOR SCHMIT: It is my intent that if they choose to make grants and if you will check the amendment very carefully because this is why we redrafted it, Senator, in order to meet the constitutional requirements, it was felt after research with the bill drafting office and also the Attorney General that it had to be for the promotion and development of the industry and not be for the actual production. But it does provide for perhaps that if a company wanted to get into the production, that a grant might be made based upon the premise that there be certain reports made back to the commodity board which they do many times now with other research projects.

SENATOR KAHLE: So generally speaking, what you are saying is that they would not go into the business actually but they would supplement others that are in the business?

SENATOR SCHMIT: That is right.

SENATOR KAHLE: And what about, has there been any thought to combining...of course, that would be up to the boards I understand, that's probably not a very good question, but I guess I have some concern as to if between milo and corn, for instance, if a plant were subsidized by the Corn Board and not by the Milo Board, would there be a restriction that they couldn't use milo to make alcohol out of and I guess that would be a technical problem but it could happen.

SENATOR SCHMIT: Well, you know, Senator, I had another bill, I believe it was 503 or 4, or 504, I guess, which